

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
Before the Director of the Department of Insurance and Financial Services

In the matter of:

Kevin M. Karadeema DC
Petitioner

File No. 21-1868

v

Auto Club Insurance Association
Respondent

Issued and entered
this 18th day of February 2022
by Sarah Wohlford
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On December 15, 2021, and December 20, 2021, Kevin M. Karadeema DC (Petitioner) filed with the Department of Insurance and Financial Services (Department) a request for an appeal pursuant to Section 3157a of the Insurance Code of 1956 (Code), 1956 PA 218, MCL 500.3157a. The request for an appeal concerns the determination of Auto Club Insurance Association (Respondent) that the Petitioner overutilized or otherwise rendered or ordered inappropriate treatment, products, services, or accommodations under Chapter 31 of the Code, MCL 500.3101 to MCL 500.3179.

The Respondent issued the Petitioner a written notice of the Respondent's determination under R 500.64(1) on September 28, 2021, and November 29, 2021. The Petitioner now seeks reimbursement in the full amount it billed for the dates of service at issue.

The Department accepted the requests for an appeal on December 17, 2021, and December 20, 2021, respectively, which have been consolidated for the purposes of this order. Pursuant to R 500.65, the Department notified the Respondent and the injured person of the Petitioner's request for an appeal on January 6, 2022, and provided the Respondent with a copy of the Petitioner's submitted documents. Respondent filed a reply to the Petitioner's appeal on January 24, 2022.

The Department assigned an independent review organization (IRO) to analyze issues requiring medical knowledge or expertise relevant to this appeal. The IRO submitted its report and recommendation to the Department on February 2, 2022.

II. FACTUAL BACKGROUND

This appeal concerns the denial of payment for chiropractic treatment rendered on four dates of service¹ under Current Procedural Terminology (CPT) codes 98941 and 97012, which are described as: chiropractic manipulative treatment, spinal, 3-4 regions; application of a modality to 1 or more areas, traction, mechanical; respectively.

With its appeal request, the Petitioner identified the following diagnoses for the injured person in relation to a motorcycle accident in November of 1988: segmental and somatic dysfunction of cervical region, tension-type headache, radiculopathy (cervical region), segmental and somatic dysfunction of thoracic region, segmental and somatic dysfunction of lumbar region, segmental and somatic dysfunction of pelvic region, pain in right hip, spondylolisthesis lumbosacral, cervicocranial syndrome, and myalgia. The Petitioner's request for an appeal further stated:

[The injured person] suffered permanent injuries in a motorcycle accident. [The injured person] has acute exacerbations as a result of [the injured person's] unstable spine and we treat those conditions on an acute basis.

In its reply, Respondent cited the American College of Occupational and Environmental Medicine (ACOEM) recommendations and Official Disability Guidelines (ODG) for low back pain and radicular pain syndromes and concluded that low back traction is not recommended for treatment of subacute or chronic low back pain or pain syndromes. Respondent also noted that there is no evidence that manipulation on a regular or routine basis is beneficial for chronic musculoskeletal pain.

III. ANALYSIS

Director's Review

Under MCL 500.3157a(5), a provider may appeal an insurer's determination that the provider overutilized or otherwise rendered inappropriate treatment, products, services, or accommodations, or that the cost of the treatment, products, services, or accommodations was inappropriate under Chapter 31 of the Code. This appeal involves a dispute regarding inappropriate treatment and utilization.

The Director assigned an IRO to review the case file. In its report, the IRO reviewer concluded that, based on the submitted documentation, "the chiropractic treatments [at issue] were overutilized and not medically necessary."

The IRO reviewer is a licensed doctor of chiropractic with an active private practice who is knowledgeable with respect to the medical conditions and type of treatment at issue in this appeal. In its report, the IRO reviewer referenced R 500.61(i), which defines "medically accepted standards" as the most appropriate practice guidelines for the treatment provided. These may include generally accepted practice

¹ The at-issue dates of service in this appeal are July 30, 2021, and August 28, 30, and 31, 2021.

guidelines, evidence-based practice guidelines, or any other practice guidelines developed by the federal government or national or professional medical societies, boards, and associations. The IRO reviewer relied on the ACOEM practice guidelines, as well as the Council for Chiropractic Guidelines and Practice Parameters (CCGPP), and Guidelines for Chiropractic Quality Assurance and Practice Parameters in reaching its determination. The IRO reviewer opined:

The [at-issue] treatments [were] part of a maintenance frequency [plan] of care for a chronic condition and do not follow the accepted standards of chiropractic treatment per the guidelines. As such, medical necessity is not established. Additionally, the notes themselves were lacking in detail such as any full examination or re-examination notes, [or] any details about exacerbations, and lacked a needed non-supervised home rehabilitation program.

The IRO reviewer recommended that the Director uphold the Respondent's determinations that the treatment provided to the injured person on the dates of service at issue was not medically necessary in accordance with medically accepted standards, as defined by R 500.61(i).


IV. ORDER

The Director upholds the Respondent's determinations dated September 28, 2021, and November 29, 2021.

This order applies only to the treatment and dates of service discussed herein and may not be relied upon by either party to determine the injured person's eligibility for future treatment or as a basis for action on other treatment or dates of service not addressed in this order.

This is a final decision of an administrative agency. A person aggrieved by this order may seek judicial review in a manner provided under Chapter 6 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.301 to 24.306. MCL 500.244(1); R 500.65(7). A copy of a petition for judicial review should be sent to the Department of Insurance and Financial Services, Office of Research, Rules, and Appeals, Post Office Box 30220, Lansing, MI 48909-7720.

Anita G. Fox
Director
For the Director:

X 

Sarah Wohlford
Special Deputy Director
Signed by: Sarah Wohlford